TOP SECRET

RM/R

file file

487

OAS ACTION AGAINST COMMUNISM IN GUATEMALA

Meeting May 10, 1954

1. Mr. Holland called a meeting in his office at 5:30 p.m. at which the following were present with him:

E. G. Gale, Director, AR
R. S. Atwood, Director OSA
C. H. Burrows, Director MID
Ambassador John Dreier, OAS
E. A. Jamison, Deputy Director, AR
R. G. Leddy, Officer in Charge MID/P

2. Mr. Holland stated that he had been authorized by the Secretary to move to obtain OAS action against the Communist problem in Guatemala. Any step taken would have its disagreeable and disadvantageous aspects but to do nothing would be to admit that we are powerless to solve the problem; in the present world situation this would be intolerable. We should move toward application of the Caracas Resolution to Guatemala, along the following lines:

I. Take straw vote on resolution condemning Guatemala and applying sanctions.

(a) Handle this approach so that if we abandon the project there will be no loss of prestige.

(b) Beginning with Brazil and the more important countries approach each one informally, submitting summary of evidence.

(c) Try to conclude this stronghold within ten days.

II. If straw vote indicates we might succeed at OAS meeting, call in Walter Donnelly to take charge of preparations and of meeting.

(a) First guarantee any doubtful votes that are necessary to complete requisite two-thirds majority.

(b) Then try to get as many additional votes as possible.

(c) By June 15 determine, if possible, whether we are strong enough to call an OAS meeting.

This Document Must Be Returned to Central Files
714.00/5-1054
TOP SECRET
714.00/5-1054
DS/R
April 1/
Nov
304646
TOP SECRET
DIL Burling 2/9/82

III. During next ten days I should make strong speech on Guatemalan communism. We should get other speeches on the Hill and in other areas of the Government to demonstrate that United States determination to remedy problem extends throughout the Government.

Point three above is undecided.

3. A breakdown of the list of American Republics, according to positive, doubtful and negative votes, was reviewed; it is hereto attached. It was decided to make the first approach with Brazil, which was separately listed as "probable with persuasion". Ambassador Muniz would be asked to call on the Secretary on the following afternoon, when he would be presented with our viewpoint and asked to go to Rio to get the concurrence of the Brazilian Government. Mr. Leddy was directed to prepare the brief for the Secretary.

4. Mr. Atwood said that Venezuela would be classified doubtful because of the attitude of Foreign Minister Otañez. Brazil will have to be "sold".

5. It seems agreed that former Ambassador Walter Donnelly would be the ideal choice to undertake the leadership of this mission for the Department. A cable was thereupon drafted and sent to Chargé Bernbaum at Caracas to discuss the proposition with Mr. Donnelly at once.

6. The organization of the evidence for the case to be presented against Guatemala was then discussed. It was decidéd that Second Secretary John C. Hill should be called from Guatemala City to undertake the preparation of this material, and a cable was sent to Ambassador Peurifoy directing the detail of Mr. Hill to the Department, to depart from Guatemala City on the following day. Mr. Ozayo, telephoned at his home, advised that travel orders could be issued after the cable is sent.

7. Mr. Holland discussed the situation in Honduras, pointing out that present developments are a key to the case against Guatemala, citing the expulsion of the three Guatemalan Consuls. A complaint against Guatemala in the OAS would best come from Honduras. We need more information from Honduras.

8. In addition to the action with Brazil, it was decided that inquiries should go to our Ambassadors in Bogotá, Lima, Santiago de Chile, and Buenos Aires, asking their advice on how the Department should best proceed with these Governments. While Mr. Holland was temporarily called from the room, it was decided that this cable should await the outcome of the visit of Ambassador Muniz on the following afternoon.

S. Mr. Holland

8. Mr. Holland read from a letter he had prepared to send to Ambassador White in Mexico, also soliciting his advice on how to proceed. It was agreed the letter should be sent. Letters to other Ambassadors were considered impractical due to the time required for courier delivery, too long a delay before the June 15 deadline. Mr. Holland said that he would discuss again whether or not it would be feasible for him personally to make a trip to Mexico City to talk with President Ruiz Cortines.

10. Mr. Holland said that it would be necessary to keep minutes of these meetings, in order to record what was being accomplished and to be accomplished. Mr. Leddy was directed to prepare the minutes of this meeting.

11. In reply to several points of difficulty to be encountered in obtaining the votes and in making the action of the OAS effective, Mr. Holland said that the Department would not, of course, proceed until it was sure of a two-thirds vote and would handle the matter in such a way that it could withdraw should it prove impossible to obtain such two-thirds vote.

12. Ambassador Dreier pointed out that Article 53 of the UN Charter requires that enforcement of any regional agreements shall only be taken with the concurrence of the UN Security Council; the USSR could therefore veto the OAS action. Mr. Holland replied that this would clearly stamp Guatemala as a Soviet Satellite and would make clear that the will of the OAS had been thwarted by the USSR. Mr. Atwood suggested that the reference to the UN Charter be incorporated in the brief for the Secretary's meeting with Ambassador Muniz as the latter is an expert on the UN.

13. Mr. Leddy mentioned once the United States takes Guatemala before the OAS it is quite likely that the Guatemalan Government will move to nationalize all American property in Guatemala; this is chiefly owned by three companies, United Fruit, American and Foreign Power and the IRCA. After pointing out that their property stands to be nationalized in any case, Mr. Holland said that it would be good to inform these companies in advance of our action.

The next meeting was called for the following afternoon at 5 p.m.

TOP SECRET

Cable, May 23, 1954, sent at 10:30 p.m., from Ambassador Willauer at Tegucigalpa for Mr. Holland, Department of State (paraphrase).

A second message will be sent immediately after a memorandum is delivered by President Galvez to the Ambassador at 11 p.m. tonight. If the memorandum conforms to the draft which was seen by Ambassador Willauer it requests that the United States invoke Article 3 of the Rio Treaty in order to prevent a Communist take-over of Honduras, and also requests that the United States stop ships carrying arms bound for Puerto Barrios. The memorandum also requests complete secrecy until the United States decides its course of action.

TOP SECRET